



General Assembly

January Session, 2015

***Raised Bill No. 1069***

LCO No. 4704



Referred to Committee on PLANNING AND DEVELOPMENT

Introduced by:  
(PD)

***AN ACT AMENDING THE CHARTER OF THE METROPOLITAN DISTRICT IN HARTFORD COUNTY AND EXTENDING THE MATURITY DATE FOR MUNICIPAL SEWERAGE SYSTEM BONDS.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Subsection (b) of section 39 of number 511 of the special  
2 acts of 1929, as amended by special act 80-14, special act 90-14 and  
3 section 1 of special act 08-9, is amended to read as follows (*Effective*  
4 *October 1, 2015*):

5 (b) Whenever any work shall be necessary to execute or perfect any  
6 public work or improvement, or whenever any supplies for the district  
7 shall be needed for any particular purpose and such work or supplies  
8 shall involve the expenditure of more than twenty-five thousand dollars,  
9 except in the case of an emergency to be determined by the district  
10 board, a written contract for such work or supplies shall be made under  
11 such regulations or ordinances as the district board may establish, which  
12 contract shall be based on sealed bids. At least ten calendar days prior to  
13 the time designated for opening competitive bids or proposals, the  
14 district shall solicit competitive bids or proposals by (1) publishing notice

15 in daily and weekly newspapers servicing the member municipalities,  
16 [and] or (2) posting notice on the Internet web site of the district. The  
17 district may send such notice to trade associations or other groups active  
18 in the business or service solicited. Each contract awarded by the district  
19 shall be awarded to the lowest qualified bidder with bid requirements,  
20 except as provided in this subsection.

21 Sec. 2. Section 14 of number 511 of the special acts of 1929, as  
22 amended by section 1 of number 332 of the special acts of 1931,  
23 number 127 of the special acts of 1947, section 2 of special act 79-102,  
24 special act 80-13, section 1 of special act 83-31 and section 5 of special  
25 act 90-27, is amended to read as follows (*Effective October 1, 2015*):

26 (a) Appropriations to be financed by the issuance of bonds, notes or  
27 other obligations of the district may be made at any time upon approval  
28 of the district board and recommendation of the board of finance in  
29 accordance with section 20 of number 511 of the special acts of 1929.

30 (b) (1) Any appropriation in excess of [five million dollars] the amount  
31 set forth in subdivision (2) of this subsection for any single item of capital  
32 expense not regularly recurring, including, but not limited to, a capital  
33 purpose, a public improvement or an extraordinary expenditure which  
34 may properly be financed long-term rather than from current revenues,  
35 notwithstanding that such appropriation is included in the budget to be  
36 met from current revenues, [and any financing lease under which the  
37 total amount of payments shall be in excess of five million dollars,] shall  
38 be approved by a two-thirds vote of the entire district board and by a  
39 majority of the electors of the district at a referendum of the district  
40 called by the district board in accordance with the requirements of  
41 section 5 of number 511 of the special acts of 1929, as amended by special  
42 act 77-54; provided an appropriation for any reason involving not more  
43 than [ten million dollars] twice the amount set forth in subdivision (2) of  
44 this subsection in any one year for the purpose of meeting a public  
45 emergency threatening the lives, health or property of citizens of the  
46 district may be made upon approval by a two-thirds vote of the entire

47 district board without submission to the electors of the district; provided  
48 further, appropriations may be made in any amount without submission  
49 to the electors of the district for any public improvement all or a portion  
50 of which is to be paid for by assessments of benefits or from funds  
51 established to pay for waste or water facilities pursuant to section 13 of  
52 number 511 of the special acts of 1929, as amended by number 366 of the  
53 special acts of 1949, special act 77-54 and special act 83-31. Upon  
54 determining that any appropriation in effect on the effective date of  
55 this section or thereafter is in excess of the amount set forth in this  
56 section, the amount of the appropriation shall be reduced by the  
57 amount of the appropriation which has been, is committed to be or in  
58 the judgment of the district board, which shall be conclusive, is  
59 expected to be met by federal or state grants. The district board may  
60 determine, in the case of appropriations for water, sewer and utility line  
61 extensions and improvements, or the installation or replacement of  
62 service meters, the definition of what shall constitute a single item of  
63 capital expense for purposes of compliance with the referendum  
64 requirement of this section. Such determination may be contained in the  
65 capital budget or a resolution making such appropriation or authorizing  
66 the issuance of bonds, notes or obligations of the district and any such  
67 determination shall be final and conclusive.

68 (2) On and after October 1, 2015, the threshold amount for purposes of  
69 subdivision (1) of this subsection shall be twenty million dollars. Such  
70 amount shall be adjusted annually thereafter on October first by a  
71 percentage equal to the increase, if any, in the consumer price index for  
72 urban consumers during the preceding twelve-month period, as  
73 determined by the United States Department of Labor, Bureau of Labor  
74 Statistics.

75 Sec. 3. Section 49 of number 511 of the special acts of 1929, as  
76 amended by section 4 of number 332 of the special acts of 1931, as  
77 amended by number 245 of the special acts of 1945, is amended to read  
78 as follows (*Effective October 1, 2015*):

79       Such lien shall take precedence over all other liens or incumbrances  
80       except taxes due to the state and town, and such lien may be foreclosed  
81       in the name of The Metropolitan District in the same manner as if the  
82       lien were a mortgage on such property in favor of said district, to  
83       secure the amount of such costs, charges or assessments, and a  
84       certificate of such lien describing the property on which the same  
85       exists and the amount thereof shall be filed with the town clerk of the  
86       town wherein such lien accrued, but no such lien shall attach unless  
87       such certificate, signed by the executive secretary or other authorized  
88       representative of the water bureau of said district, describing the  
89       property on which the lien exists and the amount to be claimed by said  
90       district as a lien thereon, shall be filed with such town clerk within  
91       [one year] two years after the assessment or charge shall have become  
92       payable.

93       Sec. 4. Section 7-263 of the general statutes is repealed and the  
94       following is substituted in lieu thereof (*Effective October 1, 2015*):

95       Bonds, notes or other obligations issued under the authority of this  
96       chapter (1) shall be in serial form (A) maturing in annual or  
97       semiannual installments of principal that shall substantially equalize  
98       the aggregate amount of principal and interest due in each annual  
99       period, commencing with the first annual period in which an  
100       installment of principal is due, or (B) maturing in annual or  
101       semiannual installments of principal no one of which shall exceed by  
102       more than fifty per cent the amount of any prior installment, or (2)  
103       shall be in term form with mandatory deposit of sinking fund  
104       payments into a sinking fund in amounts (A) sufficient to redeem or  
105       amortize the principal of the obligations in annual or semiannual  
106       installments that shall substantially equalize the aggregate amount of  
107       principal redeemed or amortized and interest due in each annual  
108       period, commencing with the first annual period in which a  
109       mandatory sinking fund payment becomes due, or (B) sufficient to  
110       redeem or amortize the principal of the obligations in annual or  
111       semiannual installments no one of which shall exceed by more than

112 fifty per cent the amount of any prior installment, provided such  
 113 requirements will be deemed to have been met with respect to any  
 114 issue if they would have been met by the issue taken together with all  
 115 other bonds, notes or other obligations previously issued under this  
 116 chapter, any provision of the general statutes or any special act and  
 117 declared by the municipality to be part of a single plan of finance. The  
 118 first installment or the first sinking fund payment of any such series of  
 119 obligations, other than obligations secured solely by a pledge of  
 120 revenue to be derived from sewerage system use charges, shall mature  
 121 or shall be due not later than three years from the date of issue of such  
 122 series and the last installment or the last sinking fund payment shall  
 123 mature or shall be due not later than [thirty] forty years from the date  
 124 of issue of such series or, if any notes have been issued in anticipation  
 125 thereof or are to be paid from the proceeds thereof, from the date of  
 126 issue of the first such note. The first installment or the first sinking  
 127 fund payment of any series of obligations issued under the authority of  
 128 this chapter which are secured solely by a pledge of revenues to be  
 129 derived from sewerage system use charges shall mature or shall be due  
 130 not later than four years from the date of issue of such series and the  
 131 last installment or the last sinking fund payment shall mature or shall  
 132 be due not later than thirty years from the date of the issue of such  
 133 series or, if any notes have been issued in anticipation thereof or are to  
 134 be paid from the proceeds thereof, from the date of issue of the first  
 135 such note.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2015</i>	Number 511 of the special acts of 1929, Sec. 39(b)
Sec. 2	<i>October 1, 2015</i>	Number 511 of the special acts of 1929, Sec. 14

Sec. 3	<i>October 1, 2015</i>	Number 511 of the special acts of 1929, Sec. 49
Sec. 4	<i>October 1, 2015</i>	7-263

***Statement of Purpose:***

To (1) allow the Metropolitan District Commission to post certain notices by newspaper or online, (2) increase the threshold for appropriations that trigger certain voting requirements, (3) increase from one to two years the date by which the district must file certain liens with a town clerk, and (4) increase the maturity period for bonds for municipal sewerage systems from thirty to forty years.

*[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]*